



Los Angeles Grand Avenue Authority



Board of Directors

Hon. Gloria Molina, Chair
Hon. Jan Perry, Vice Chair
David E. Janssen, Secretary
Robert R. "Bud" Ovrom

FEBRUARY 23, 2004 MINUTES

The fifth meeting of the Los Angeles Grand Avenue Authority was held February 23, 2004 at Kenneth Hahn Hall of Administration, Room 374-A, 500 West Temple Street, Los Angeles, CA 90012.

CALL TO ORDER

Vice Chairperson Jan Perry called the meeting to order at 10:05 a.m. The following Directors were present, constituting a quorum of the Authority:

Honorable Jan Perry, Councilmember 9th District, City of Los Angeles
David E. Janssen, Chief Administrative Officer, Los Angeles County
Robert R. "Bud" Ovrom, Chief Executive Officer, Community Redevelopment Agency (CRA), City of Los Angeles

Vice Chairperson Perry welcomed Antonia Hernandez, President and CEO of the California Community Foundation.

APPROVAL OF THE JANUARY 26, 2004 MINUTES

On motion of Director Janssen, seconded by Director Ovrom, the Authority unanimously approved the January 26, 2004 minutes.

MANAGING DIRECTOR'S REPORT

Ms. Martha Welborne provided an overview of the February 10, 2004 pre-proposal conference:

- Approximately seventy people attended and Supervisor Molina, Councilwoman Perry, Eli Broad and Jim Thomas addressed the group.
- All of the development teams were present at this mandatory conference.
- The proposals are due April 7, 2004 at 4 p.m.
- Interviews are scheduled for the week of April 26, 2004 and, if necessary, may continue to May 3, 2004.

The Committee continues to receive questions and posts responses on the website; is establishing business protocols for the nonprofit status and has not received any new information regarding the First and Broadway site.

Director Perry inquired about the nature of the questions asked at the pre-proposal conference. Ms. Welborne stated questions included the potential redevelopment of the

Hall of Administration and the County Civil Courthouse; traffic counts; base maps; FARs; zoning of the parcels and square footage.

Director Perry inquired how capacity would play into the second phase. Ms. Welborne stated the second phase would focus on teams' track records rather than financial capacity. Most teams have multiple players and the Committee is focusing on the organizational structure of the teams including whether they worked together before, how did they work together and who acts as the lead. The Request for Proposal requests site analysis including an assessment of existing conditions and an interpretation the opportunities.

On motion of Director Ovrom, seconded by Director Janssen, the Authority unanimously accepted the Managing Director's Report.

APPROVAL OF CONTRACT WITH GRAND AVENUE COMMITTEE, INC.

Jim Thomas, Chairman of the Grand Avenue Committee, Inc. presented a contract between the Committee and the JPA allowing the Committee to act as the real estate negotiator. The contract was reviewed by counsel and staff and allows the Committee to continue to play a role in the development.

Director Perry inquired about the binding aspect of the agreement. Mr. Thomas stated it provides the terms for either party to cancel the agreement and that the Committee will do tasks as delegated by the JPA including selection of a development team for JPA approval; and working with the selected team to develop an initial plan for presentation and approval by the JPA.

Director Janssen asked about next year's budget and whether the Committee will seek funding from the City and County or if the developers will be contributing. Ms. Welborne stated next year's budget has not been prepared but the current year's budget was \$1.35 million (including \$96,000 in-kind) and as of January total expenditures were \$287,000. Each developer submitting a proposal on April 7th will include a \$25,000 fee and the selected developer will be providing a \$200,000 commitment fee.

On motion of Director Janssen, seconded by Director Ovrom, the Authority unanimously approved the contract with the Grand Avenue Committee, Inc.

APPROVAL OF REVIEW COMMITTEE

Martha Welborne provided the committee's schedule:

- April 8th through April 26th the review committee will review the proposals.
- April 26th through May 3rd the review committee will conduct interviews.
- May 3rd through May 23rd the review committee will conduct follow-up questions, meetings, conference with references and visiting existing projects.
- May 24th the Committee will recommend a team to the Board.

Ms. Welborne recommended the review committee be comprised of the Grand Avenue Committee Board, David Malmuth and herself. The Grand Avenue Committee Board members are Jim Thomas (Chair), Eli Broad (Vice Chair), Antonia Hernandez, Alma

Martinez (First District Chief of Staff) and Ayahlushim Hammond (CRA). The review committee will conduct interviews and present the final selection to the Authority for approval. The working group assisting the review committee include Greg Fischer (9th District City Council Deputy), John Edmisten (Los Angeles Chief Administrative Office), Cheryl Fuerth (Los Angeles Chief Administrative Office), Tim Chung (City Attorney), Karen Lichtenberg (County Counsel), Renata Simril (Mayor's Deputy) and Committee consultants, Amy Freilich and Cal Hollis. Each submitting team will provide fifteen copies of its proposals for review.

On motion of Director Ovrom, seconded by Director Janssen the Authority unanimously approved the Review Committee as described.

DISCUSSION OF FUTURE AGENDA ITEMS, DATE OF THE NEXT MEETING

The March and April meeting dates will probably be cancelled and the next Authority meeting should be May 24th. The only item that would prompt a meeting is a resolution of the First and Broadway site.

The Committee is attempting to secure the fifth nonvoting member appointed by the Governor.

PUBLIC COMMENT

Director Janssen discussed a letter from Jona Goldrich, Managing Member, Goldrich & Kest Industries, LLC regarding the Parcel M-2. Director Ovrom read the CRA's written response to Mr. Goldrich from regarding the legal disposition of Parcel M-2 (copies on file).

In response to Director Janssen's inquiry, Karen Lichtenberg stated it would be appropriate to remit a letter to Mr. Goldrich.

Due to the urgency of a timely response with regard to the correspondence:

On motion of Director Janssen, seconded by Director Ovrom, the Authority unanimously approved requesting County Counsel and the City Attorney's Office draft a letter to Goldrich & Kest Industries, LLP from the Authority concurring with the CRA's letter regarding the property rights and clarifying the Authority's established purview to make determinations regarding development of the parcels, it's need to make a shortlist determination based upon the qualifications submitted and the fact that Goldrich & Kest Industries was not among the selected group.

ADJOURNMENT

There being no further business, the meeting adjourned at 10:42 a.m.